

CITY OF SEATTLE BUSINESS SURVEY

Prepared for:
City of Seattle

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Detailed Findings

PURPOSE AND METHODOLOGY

In the period spanning October 20, 1999 and December 9, 1999, a total of 1,008 interviews were conducted among licensed businesses in the City of Seattle. The study was designed to assess global perceptions of Seattle as a place to conduct business, as well as satisfaction with specific city services and programs. The study was to serve as a baseline for future (likely annual) research efforts.

Sampling

Businesses were sampled or stratified by both employee size and geographic region. "Large" businesses were operationally defined as having 50 or more full-time employees; "medium" businesses, as having between 10 and 49 full-time employees; and "small" businesses, as having 9 or fewer full-time employees.

Population level data suggest that (within city limits) there are 30,013 small businesses, 4935 medium-sized businesses, and 1273 large businesses. To better approximate the composition of our sample to the population at large, in addition to the stratification exercise mentioned above, the final data were weighted by employee size. Small businesses were up weighted by a multiple of 1.378, medium and large businesses were down weighted by .455 and .354 respectively. (Unless otherwise noted, all data presented here are weighted).

Six regional categories were created: northwest, northeast, east, west, southwest, and southeast. Geographic region was defined by zip code and, in some cases: location east or west of Interstate 5, north or south of 145th Street, north or south of I-90, east or west of 59th Avenue South, east or west of 43rd Avenue South, or north or south of South Juniper. Table 9 lists the zip codes associated with each geographic region, and figure 1 displays the locations. It is important to point out that sample information was verified over the telephone. If a discrepancy in either location or zip code occurred, *self-reported* information was used.

The following exclusionary characteristics were applied in sample selection. All county, state and federal public administrative/ governmental agencies were excluded, as were all schools. Home businesses, while not excluded from the sample, were screened out over the telephone.

WTO

The World Trade Organization meeting was held in Seattle during the latter part of data collection. In order to examine any potential effects of the WTO and its associated riots on respondent attitudes, a “pre/post WTO” variable was created. A respondent was categorized as “pre WTO” if his/ her interview was completed prior to or on November 29, 1999. A respondent was categorized as “during or post WTO” if his/her interview was completed on November 30 through December 9, 1999. While all outcome variables were analyzed as a function of this variable, it is important to note that the respective sub-group sample sizes varied greatly (n = 805 for pre-WTO; n = 202 for post-WTO).

WTO had no meaningful effects on variables related to global satisfaction or specific city services, $p > .05$. (Importantly, WTO did not affect attitudes regarding police protection, $p > .05$.)

Respondent selection

Interviews were conducted among persons who, at the time of telephone contact, had had *the most interaction with the City* (as compared to other employees at their given business). Specifically, those who answered the phone were asked, “May I please speak to the person at this location who has had the MOST interaction with the City? This might be the operations manager or CFO (Chief Financial Officer).” If the selected individual was not available at that time, an appointment was made to interview him or her at a later, more convenient date and/or time.

The selected respondent was asked to indicate his or her specific job title. Categorical percentages are listed in Table 1. The most frequently surveyed persons were owners, general/ regional/ assistant managers, presidents or CEOs, and office managers or administrators. Perhaps not surprisingly, the percentage of owners was higher among small versus medium and large businesses while the percentage of chief financial officers, directors, general managers and executive assistants was higher among medium and large businesses.

Persons who responded to the survey had been at their particular business location for a mean of 7.55 years. Five hundred and seventy-seven of the respondents were male; 431 were female. (The latter frequencies reflect unweighted data).

Interview length

Telephone interviews lasted, on average, 21.5 minutes.

Sample disposition

Study incidence was calculated to determine the proportion of businesses that qualified to participate in the survey out of the entire telephone sample. The incidence of the sample was 32%. This figure is somewhat low and primarily due to the screening out of a) home-based businesses and b) self-reported zip codes inconsistent with city-defined boundaries.

As mentioned, 1008 individuals completed the survey. This represents a 59% completion rate. That is, among those *qualified* to answer the survey, 59% *completed* the survey.

The final number of respondents, as a function of both employee size and geographic region, are displayed in Table 2.

Statistical significance and margin of error

Unless otherwise noted, all “differences” described in the present report are statistically significant at the $p < .05$ or $p < .01$ levels.

The margin of error around the entire sample of 1008 (at the 95% confidence level) was $\pm 3.1\%$. The margin of error around the subgroup of small businesses, or businesses with 9 or fewer full-time employees, was $\pm 4.0\%$; that for medium-sized businesses, or businesses with 10-49 employees, was $\pm 5.7\%$. Finally, the margin of error for large businesses, or businesses with 50 or more full-time employees, was $\pm 9.8\%$.

BUSINESS CHARACTERISTICS

Primary line of business

As both a point of interest and sample verification, respondents were asked to describe their primary line of business. Responses were coded into the larger categories displayed in Table 3. For example, a response of “toy store” would have been put into the retail trade category.

Primary line of business differed as a function of employee size - for *some* business types. Business services were more likely to be offered by small as compared to medium-sized establishments. Financial, insurance and/or real estate services were more likely to be offered by small and large versus medium-sized businesses; and tourism and hospitality, by medium-sized versus small businesses.

Primary line of business also differed as a function of geographic region. Wholesale trade and manufacturing was more likely to occur in the southwest region and office based businesses such as legal services real estate and finance occurred more in the west and east. Retail trade and service were least likely to be found in the southwest. (See Table 4 for percentages).

Length of operation in Seattle

The businesses surveyed in the present study had been operating in the City of Seattle for a median of 13.0 years. This figure was higher for medium and large businesses as compared to small businesses (*median* = 18.5, 21.0, respectively). Such differences are in line with expectation. Larger businesses are more likely to be established and, relatedly, to have been in operation for longer periods of time.

Nearly two thirds of the businesses (63%) had been operating for over 10 years. Four percent had been in operation for one year or less. Eighteen percent had been in operation for 2-5 years; 20%, for 6-10 years; 25%, for 11-20 years; and 38%, for 21 or more years.

Categorical groupings are as follows. Slightly more than one third (38%) had been operating at their current location for more than 10 years. Nine percent had been in operation at this location for just one year or less; 29%, for 2-5 years; 22%, for 6-10 years; 19%, for 11-20 years; and an additional 19%, for 21+ years.

Customer base

Respondents were asked, "Does your business deal mostly with other businesses or directly with the public?" Forty-nine percent deal with the public and 27% deal with other businesses. Twenty-four percent deal with *both* the public and other businesses.

Businesses with 10-49 employees are more likely to deal with other businesses as compared to those with nine or fewer employees. Small businesses, in contrast, are more likely than large businesses to deal with the public. Finally, large businesses are more apt to deal with both other businesses *and* the public as compared to both small and mid-sized businesses. (See Table 6.)

With respect to geographic region, businesses in southwest and west areas of Seattle are more likely to deal with other businesses; those in the east, northwest, northeast, and southeast areas are more apt to deal with the public.

Owning versus renting premises

Most businesses rent their premises. Only 24% of the businesses report owning the building from which they operate. Not surprisingly, large businesses are more likely than small and medium- sized businesses to own their premises (38% vs. 23 and 27%, respectively). Small and medium- sized businesses, in contrast, are more likely to rent or lease their premises (76 and 72% vs. 61%).

Utility bills

Even though most businesses rent or lease, over half (57%) pay their own utility bills. Just under one-third (32%) have the bills taken care of by a landlord. (Five percent reported “both” – they pay some bills and the landlord pays others).

Medium-sized businesses are more likely than small businesses to pay their own bills; the opposite pattern is true for landlord payment. With respect to geographic region, businesses located in the southeast region are more likely than those in any other geographic region to pay their own bills; those located in the west are particularly likely to have the bills handled by a landlord.

Number of visitors

Businesses tend to have at least some visitors each day, although for most, this number is relatively small. Respondents were asked to estimate the number of customers that visit their premises, in person, on an average day. Twenty-three percent said none; they have no visitors. Almost one-half (47%) reported between 1 and 25 visitors daily; 18%, between 26 and 100 visitors; 7%, between 101 and 300 visitors; and just 3%, over 300 visitors.

As one might surmise, larger (medium and large) businesses are more likely to have between 101 and 300+ daily visitors as compared to small businesses. The opposite pattern is true for 1-25 visitors/ day; small businesses are more likely to have this number of visitors.

Hours and days of operation

When asked, “How many days, Monday through Friday, are you open?” the mean response was 4.86 days. This figure was statistically higher for medium and large as compared to small businesses ($M_s = 4.95, 5.0, \text{ and } 4.85$, respectively). All businesses with 50 or more employees surveyed, in fact, operate at least five days per week, and no less. The majority opens between

8:00 and 10:00 a.m., Monday through Friday, and closes between 5:00 and 6:00 p.m., Monday through Friday. (See Table 7.)

Fifty-nine percent of businesses are closed on weekends. Twenty-two percent are open both Saturday and Sunday. Sixteen percent are open Saturday, but closed Sunday; a final 2% are open Sunday, but closed Saturday. (See Table 8.)

With respect to weekend opening and closing times, most Saturday businesses open between 8:00 and 10:00 a.m. and close between 5:00 and 6:00 p.m. Opening times are more varied for businesses operating on Sunday. Forty-two percent open between 8:00 and 10:00 a.m.; 41%, after 10 a.m. Closing times, too, are more varied. An equal percentage closes between 5 and 6 p.m. and after 6 p.m. A somewhat smaller percentage of businesses close *before* 5 p.m. (Again, see Table 8.)

Professional memberships

A relatively small proportion of Seattle businesses are active in Chambers or Business Improvement Associations. Seventeen percent of businesses belong to the Seattle Chamber of Commerce. Similarly, 17% belong to a neighborhood Chamber of Commerce. Eleven percent belong to a neighborhood Business Improvement Association. BIAs do not exist in many parts of the city, thus it is not surprising that membership varies by geographic location. The table below details membership in BIAs by geographic location.

Membership in the Seattle Chamber of Commerce is associated with both larger business size and longer periods of operation in Seattle (20+ years). Membership in a neighborhood Chamber of Commerce is associated with moderate business size, 5 to 20+ years of operation, business premise ownership, and bill payment. Membership in a neighborhood BIA similarly is associated with business premise ownership and bill payment. It is also associated with larger business size, location in the *west* geographic region, and longer periods of operation in Seattle (20+ years).

Internet access

Just over three-quarters have internet access. As depicted in Figure 2, this percentage increases linearly as a function of business size. That is, small businesses are the least likely to have access, and large businesses are the most likely to do so.

Emergency preparedness

When asked whether or not their business had an emergency plan in place - instructing employees what to do in case of a natural disaster - 50% said yes; they *do* have an emergency plan. Forty-one percent, in contrast, do not have an emergency plan. Seven percent, in addition, while reporting “no plan,” claim to be working on one. Such findings are somewhat troublesome, given the potential for natural disaster in this area.

Persons who reported no emergency plan (n = 489) were further asked, “Do you have access to an information source for designing such a plan?” Forty-two percent replied yes; 51% replied no. A final 7% said, “Don’t know.” This general *lack* of access highlights a potential need for increased involvement on the part of the city.

GLOBAL SATISFACTION

Perceptions of conducting business in Seattle

Respondents were posed the following question, “Thinking about all aspects of your business operation, how would you rate Seattle as a place to do business? Please use a 1 to 7 scale where 1 means Seattle is an extremely poor place to operate a business and 7 means Seattle is an extremely good place to operate a business.”

The mean rating, overall, was 5.3 - indicative of moderately strong satisfaction. It is important to note that respondents in general are often hesitant to utilize extreme ends of a scale, e.g., to choose “7.” A mean of 5.3, then, is quite positive in nature. It is also 1.3 units above the scale midpoint.

Mean satisfaction ratings differed as a function of geographic region. Respondents in the east and northwest regions of Seattle reported stronger satisfaction with the city as a place to conduct business than did those in the southwest region (*Ms* = 5.47, 5.42 and 5.13, respectively). No other statistically significant geographic differences emerged.

As a follow-up question, respondents were asked, “Compared to two years ago, do you think Seattle has gotten better, stayed the same or become a worse place to do business?” Responses were varied. Thirty percent felt that Seattle had become a better place to conduct business; 40%, that it was about the same; and 25%, that it had become a worse place to conduct business. (Five percent said, “Don’t know.”) It is difficult to interpret the “about the same” responses, as we do not have a baseline indication of perceptions, i.e., we do not know how Seattle was viewed two years ago.

Responses to this question did not differ as a function of employee size; they did, however, differ as a function of geographic region. (See Figure 4.) Seattle was more likely to be seen as *better* among businesses in the west, east, and southeast regions. The city was more likely to be seen as *unchanged* among businesses in the northwest and southwest regions.

Those who felt that Seattle had either improved, stayed the same or become a worse place to do business were probed for further comment. One-third of these responses were positive in nature; 35%, negative in nature; and 27%, neutral. (See Table 11.)

Positive responses focused largely on growth - either population growth or an expanded customer base. Relatedly, other comments focused on a growing economic climate. Ten percent mentioned that their business simply had improved, and that such improvement was not necessarily attributable to location in Seattle.

Neutral responses, for the most part, served as indicators of no change. Things hadn't increased, nor had they decreased.

Negatively toned responses centered largely on congestion: traffic, parking or overpopulation. Less frequently mentioned complaints included: high taxes and fees, drugs and crime, and bureaucracy.

Overall ease of working with the city

Respondents were asked to rate the overall ease of working with the city. This was done on a 5-point scale (1 = very difficult; 5 = very easy). The mean rating was 3.36, indicative of neutrality to moderate ease. Just over one-half (52%) provided a rating of 4 or 5; 17%, a rating of 3; and 25%, a rating of 1 or 2.

Those who found the city either very or somewhat *difficult* to work with were probed for further comment. Responses are listed in Table 12. Commonly mentioned complaints centered on inconsistencies, slow responsiveness, ill-informed or unhelpful employees, and poor communication. Such comments offer insights into specific areas in need of attention - communication, simplification, and consistency both within and between departments.

Value for tax dollars

Respondents made a judgment about the job the city is doing in giving businesses value for their tax dollars. This was done on a 5-point satisfaction scale (1 = very dissatisfied; 2 = somewhat dissatisfied; 3 = neither satisfied nor dissatisfied; 4 = somewhat satisfied; 5 = very satisfied). The mean satisfaction rating was 3.5 – just between moderate satisfaction and neutrality.

With respect to categorical percentages, 18% provided a rating of “5” and 45% provided a rating of “4.” Sixty-three percent in total thus reported *satisfaction*.

Finally, satisfaction differed as a function of business / employee size. Large companies provided higher satisfaction ratings as compared to small companies (*Ms* = 3.7 vs. 3.5).

ATTRIBUTES THAT CAN IMPACT BUSINESS OPERATIONS

Importance and performance

Respondents were presented with seven attributes thought to impact business operations:

- Availability of affordable commercial space
- Availability of workers qualified for your business needs
- Adequate signage on streets and highways to your business
- Availability of affordable housing for workers
- Availability of public transportation
- Electric costs
- Water costs

Each of the above was rated with respect to its perceived importance and performance. To explain, respondents made a judgment about the importance of each attribute with respect to their business; this was done on a 7-point scale (1 = not at all important; 7 = extremely important). They also made a judgment about their level of satisfaction with each attribute. This too was done on a 7-point scale (1 = not at all satisfied; 7 = extremely satisfied). The latter (satisfaction) dimension, from here on, will be referred to as *performance*.

Table 13 lists the mean importance and satisfaction scores for each attribute. As the reader can see, availability of qualified workers and availability of affordable commercial space were deemed highest in importance, followed respectively by availability of affordable housing, adequate signage on streets and highways, and electric costs. The cost of water was seen as lower in importance; the mean for this item fell below the scale midpoint.

Mean performance scores suggest that businesses were *most* satisfied with the cost of electricity, followed respectively by water costs, signage, and the availability of public transportation. Businesses were *dissatisfied* with the availability of both affordable commercial space and housing.

Quadrant analysis

While informative, the mean scores do not tell us anything about the *relationship* between importance and performance. Quadrant analysis affords such an examination. Figure 7 displays the mean importance rating for each attribute plotted against the mean performance rating. Performance ratings are plotted on the x or horizontal axis. Importance ratings are plotted on the y or vertical axis.

The resulting importance – performance grid is useful for decision making or prioritizing; it also serves to highlight continuous improvement opportunities.

As the reader can see, the graph is divided into four quadrants. Placement of the crosshatch is determined in the following manner. The dividing point for the x axis corresponds to the grand mean for performance (or the mean descriptiveness rating for all seven attributes; 4.46). The dividing point for the y axis represents the grand mean for importance (or the mean importance rating for all seven attributes; 4.75).

High performance, high importance

Attributes falling in the upper right quadrant represent those scoring high in both performance and importance – areas in which the City excels *and* that businesses deem important (a perfect scenario). While no attributes fall into this category, availability of qualified workers falls precisely *at* the x axis dividing line. In other words, it could be placed either in the high performance/ high importance quadrant or the low performance/ high importance quadrant.

High performance, low importance

Attributes falling in the lower right quadrant represent those scoring high in performance, yet lower in importance – areas perhaps requisite of *less* attention, should the need for resource allocation arise. Four attributes fall into this category: electric costs, water costs, adequate signage, and availability of public transportation.

Low performance, low importance

Attributes falling in the lower left quadrant represent those scoring lower in *both* importance and performance. One attribute falls into this category, that of availability of affordable housing. It should be noted, however, that the importance mean for this item falls right below the grand importance mean (4.73 versus 4.74). In other words, it borders the low performance/ high importance category, and therefore merits attention.

Low performance, high importance

Attributes falling in the upper left quadrant represent those scoring high in importance, but lower in performance, suggesting room for improvement. One attribute falls into this category, that of availability of commercial space.

Interestingly, the areas in which the city performed well (electric and water costs, signage, availability of public transportation) are those over which the city can, and has, exercised the most control. The city itself has less control over, for example, availability of affordable housing.

BASIC CITY SERVICES

Satisfaction with services

Respondents were asked about their satisfaction with various basic city services:

- Police protection
- Fire protection
- Reliability of water service
- Quality of water supplied by the City
- Reliability of electric service
- Garbage pick-up
- Recycling

Satisfaction ratings were made on 7-point scales, with 1 indicative of “not at all satisfied” and 7 indicative of “extremely satisfied.” Mean ratings are shown below in Table 14.

As Table 14 indicates, reliability of water received the highest mean satisfaction score, followed by fire protection and reliability of electric service. It is important to point out that all mean values fell above 5 – indicative of strong *satisfaction* with basic city services.

Mean scores differed as a function of whether the city was seen as a good, average, or poor place to conduct business. Figure 8 displays the nature of this association. Satisfaction with city services was highest among those who rated Seattle a good place to conduct business, and lowest among those who rated it a poor place to conduct business.

In order to empirically test these associations, a multiple linear regression analysis was conducted on global satisfaction scores, with the following city services as predictor or independent variables:

- Police protection
- Fire protection
- Reliability of water
- Quality of water
- Reliability of electricity
- Garbage pick-up
- Recycling

Interestingly, only *one* independent variable significantly predicted global satisfaction, that of police protection, $p < .001$. The standardized beta coefficient for police protection is .15. This means that for each one unit increase in police protection (e.g., a change in rating from 4 to 5), ratings of global satisfaction increase by .15. While .15 may not seem like a large or meaningful increase, it is important to reiterate that this variable *does* predict global satisfaction; the others do not, $p > .05$. In short, if we were to know a given business respondent's rating of police protection, we could predict his/her rating of overall satisfaction.

Value for services

Satisfaction with electric service is further strengthened by the fact that most businesses are not only satisfied with reliability, but with the value they receive. Respondents who own their business premises and/or pay their own utility bills ($n = 629$) were asked, "Do you think you get a good value for the cost of your electricity?" The majority (82%) replied yes. Eleven percent said no; 7% said "Don't know." The percentage of "yes" responses was higher among: a) those who rated the city very or somewhat easy to work with, b) those with internet access, c) those in the southwest region (as compared to the west and northwest regions), and d) those in manufacturing, construction, transportation, communication, business, financial, health care, educational or personal service industries.

A similar question was posed with respect to water costs: "Do you think you get a good value for the cost of your water?" Again, a high proportion, 76% of those questioned ($n = 629$), said yes. This percentage was higher among those in health care, manufacturing and construction industries – as compared to those in wholesale trade, retail trade, and tourism/ hospitality. It was also higher among: a) those who rated Seattle a good or average place to conduct business, b) those who rated the city very or somewhat easy to work with and c) those in operation (in Seattle) for either 1-5 or 20+ years.

Finally, respondents were asked about the value of garbage pick-up costs. Perceived value was somewhat lower here. Sixty-one percent reported good value for the price of their garbage pick up. Twenty-four percent, in contrast, reported the opposite, a lack of value. The percentage of “yes” or “good value” responses was higher among: a) those who rated Seattle a good place to conduct business, b) those who rated the city very or somewhat easy to work with and c) those in health care, personal, or educational service industries.

To summarize, respondents feel that electricity merits the highest value for cost, followed by water and garbage.

On-line services

Seattle is interested in understanding how local businesses utilize the internet and specifically, if the City should be offering more on-line services. To that end, respondents were asked if they ever accessed the city’s web site. Forty percent of respondents had. (This was more likely to be the case among businesses located in the west portion of Seattle.)

All respondents were told the following: “The city’s webpages offer on-line services including information regarding regulations, special business programs and applications for licenses and permits. What information would you like to get through the webpages or what business transactions would you like to be able to perform on-line?” Just under one-third said, “Nothing else.” They are happy with the webpages as is. The most frequently offered comments focused on either access to, or the ability to engage in, transactions regarding permits, licenses, taxes, city regulations, codes, or ordinances. Others expressed interest simply in general information (news, maps, zoning). See Table 15 for categorical percentages and additional, less frequently mentioned responses.

CITY PROGRAMS: AWARENESS AND UTILIZATION

A number of questions were designed to assess both awareness and utilization of the following city programs/ services:

- Crime prevention
- Energy conservation advice and rebate/ financial incentive programs
- Water conservation advice and rebate/ financial incentive programs
- Recycling venture
- Hazardous waste management

As Table 16 demonstrates, awareness of the City’s various programs is moderate. With the exception of hazardous waste management, all businesses were asked if they had heard of each of the programs listed in Table 22. The

question about hazardous waste management was asked only of those who produce hazardous waste, a total of 127 businesses. Among those 127, slightly more than half are aware, but only 43% (n=32) actually use the program. Among *all* respondents, awareness is greatest for water conservation, followed by crime prevention, energy conservation advice and recycling. Unfortunately, less than a third *use* any of the programs. The exception is the recycling venture. While the fewest number of businesses are aware of this program, the largest proportion of those aware, utilize.

These findings highlight a need for efforts designed to both increase awareness and aid utilization of City sponsored programs. In what follows, we greater detail the results.

Crime prevention

Forty-three percent of respondents were aware of the city's crime prevention services (such as the business watch program). Fifty-six percent were unaware. Medium-sized businesses were more likely to report awareness as compared to small businesses (48 vs. 42%). Those in the northeast geographic region, in addition, indicated greater awareness as compared to those in the west, east, northwest, and southwest regions (56% vs. 39, 42, 41, and 40%, respectively).

Of those *aware* of the city's crime prevention services (n = 434), one-quarter reported utilization of such services. Seventy-two percent, in contrast, had not used the services.

Energy conservation advice

Respondents were asked, "Are you aware of the city's energy conservation advice and rebate/ financial incentive programs such as 'energy smart design' or 'smart business'?" Forty-one percent were indeed aware of the programs; this percentage was lowest among those in the west geographic region.

Among those *aware* of the city's energy conservation advice and rebate/ financial incentive programs (n = 411), 29% reported utilization. Sixty-six percent had not done so.

Water conservation advice

One-half of those surveyed indicated awareness of the city's water conservation advice and rebate/ financial incentive programs (such as the "water smart technology program"). Of these (n = 209), just over one-quarter reported utilization of such programs. Sixty nine percent reported the opposite - non-use.

Small and mid-sized businesses were *less* likely to have utilized a water conservation program as compared to large businesses.

Recycling

Just over one-third were aware of the city's business and industry recycling venture. Among those (n = 346), 43% reported utilization; 48%, in contrast, reported non-use. Small businesses were *less* likely to have used the recycling venture as compared to both medium and large businesses.

Hazardous waste management

Thirteen percent of businesses produce hazardous waste that needs to be disposed of. Of those (n = 127), the majority (91%) produce less than 220 pounds of hazardous waste per month.

Those who produce any hazardous waste were probed for awareness of the city's local hazardous waste management program. Fifty-eight percent reported awareness. Among those *aware*, 43% reported utilization; 52% had not utilized the program.

An additional question was posed to those who had utilized the hazardous waste program; it was designed to assess satisfaction with the program. The mean score (on a 7-point satisfaction scale) was 5.2, indicative of relative *satisfaction*. This figure was higher for large versus small businesses (*Ms* = 5.95 vs. 5.1).

Anti-discrimination in hiring and management practices

Businesses in Seattle are aware of anti-discrimination management practices and, for the most part, are not interested in city sponsored training. When asked: "Are you aware of the federal and local governmental regulations regarding anti-discrimination and management practices?" 91% said they were indeed aware of such regulations; 9% were unaware.

As a follow up question, respondents were asked, "Would you be interested in training offered by the city about your responsibility as an employer under the city's anti-discrimination ordinances?" Approximately three-quarters (76%) said no; they would not be interested in training. Nineteen percent said yes; they would indeed be interested. Other, infrequently mentioned responses were mixed: "Maybe/ it depends" (1.6%), "Don't know" (2.4%), "It depends on the time... If it fits into my time restrictions" (.7%).

To note, interest in training was greater among medium and large versus small businesses.

BUSINESS NEIGHBORHOOD

Conditions

This section of the questionnaire focused on the business neighborhood. Respondents were instructed to think solely about their business neighborhood – the several block area around their business. In so doing, they were to comment on the following:

- Overall physical condition of the streets
- Overall physical condition of the sidewalks
- Auto congestion
- Adequacy of street lighting
- Availability of parking
- Sidewalk and street landscaping
- Overall safety during daytime hours
- Overall safety after dark

Each of the above was rated on a 7-point (1 = extremely poor; 7 = extremely good) scale. Figure 6 displays the percentage of good (5-7), neutral (4), and poor (1-3) ratings. As one can see, the percentage of good ratings generally exceeds that for neutral and poor. Availability of parking provides a notable exception, as does auto congestion. Here, there are a greater number of poor versus good ratings. Safety after dark too provides an exception; the percentages of poor and good ratings are roughly equivalent.

Mean ratings differed, in some instances, by employee size. Street lighting was seen as more adequate, and after dark safety as greater, among small versus mid-sized businesses ($M_s = 4.97$ vs. 4.76 for the former and 3.9 vs. 3.61 for the latter). In addition, parking was seen as greater in availability by both small and mid- as compared to large- sized businesses ($M_s = 3.12$, 3.11 , and 2.69 , respectively). Finally, after-dark safety was rated higher by small as compared to mid-sized businesses ($M_s = 3.9$ vs. 3.61).

A geographic difference emerged with respect to after dark safety. Those in the northwest region rated after dark conditions safer ($M = 4.29$, as compared to those in the west, east, southwest, and southeast regions).

Vandalism, litter, and graffiti

Respondents were asked to make a judgment about the severity of three conditions: vandalism, litter, and graffiti. Ratings were made on 7-point scales (1 = not a problem at all; 7 = extreme problem). The mean for vandalism was 3.66; that for litter, 3.86; and that for graffiti, 3.45. While all three means fell below scale midpoints (and are thus perceived as *less* problematic), there is indeed room for improvement.

Drainage

Drainage was seen as only moderately successful in terms of preventing standing water. Success was rated on a 7-point scale (1 = extremely poor; 7 = extremely good). The mean score was 4.5. To note, renters saw drainage as less of a problem than did owners.

Street work

Sixty-five percent of respondents said that work had been done on the streets surrounding their business in the past two years. Twenty-nine percent reported that no such work had been done. (Six percent said, "Don't know").

Those who reported street work (n = 656) rated their level of satisfaction with the steps taken to assure the continuous operation of their business during that time. The mean score was 4.88 (on a 7-point scale), indicative of moderate to high satisfaction. With respect to categorical percentages and employee size, large businesses were more likely to provide a rating of "6" as compared to mid- and small-sized businesses.

CITY CONTACT/ CITY SUPPORT

Health and fire code regulations

Twenty-five percent of businesses must meet special health code regulations; 73% do not have to meet such regulations. Those required to do so (n = 255) made a judgment about the reasonableness of the codes. They were asked to indicate whether the city's rules for health codes were extremely reasonable, very reasonable, somewhat reasonable, not too reasonable, or not at all reasonable. In order to transform such categorical responses to a continuous scale, a response of extremely reasonable was given a score of 5; a response of very reasonable, a score of 4; somewhat reasonable, a score of 3; not too reasonable, a score of 2; and not at all reasonable, a score of 1. The mean rating (overall) was 3.79 – a positive rating.

Those required to meet health codes also made a judgment about the helpfulness of the city in assisting them to comply with such regulations. Specifically, they were asked to indicate whether the city was extremely helpful, very helpful, somewhat helpful, not too helpful, or not at all helpful. Again, in order to transform such categorical responses to a continuous scale, a response of extremely helpful was given a score of 5; very helpful, a score of 4; etc. The mean helpfulness rating, overall, was 3.52 – a moderately positive score. Those who rated Seattle a good place to conduct business provided higher helpfulness ratings as compared to those who rated Seattle an average or poor place to conduct business ($M_s = 3.79$ vs. 3.37 and 2.92 , respectively). Helpfulness in health code compliance, then, is associated with global satisfaction.

Similarly, respondents made judgments about the reasonableness and helpfulness of fire code regulations. (The same five-point scales were used). The mean for the former was 3.82 , indicative of perceived rationality. That for the latter was 3.55 , indicative of moderate to strong helpfulness. Both reason and assistance relate to global satisfaction, as both sets of ratings were higher among those who rated the city good or average vs. poor as a place to conduct business ($M_s = 3.93$, 3.79 , and 3.44 for reasonableness; 3.77 , 3.46 , and 2.88 for helpfulness).

The permit application process

The majority of respondents had *not* applied for a change of use permit in the past two years (94%). Similarly, 88% had not applied for a construction permit. Ten percent, in contrast, had applied for a construction permit. (This was more likely to be the case among medium and large businesses, as well as business premise owners).

Those who applied for either type of permit were asked to comment on the process. Specifically, they were asked the following:

How reasonable were the regulations you had to meet to get the change of use permit?

How would you rate the quality of the application review in your request for the change of use permit?

How would you rate the timeliness of the inspection of work in your request for the change of use permit?

How would you rate the quality of the inspection of work in your request for the change of use permit?

How would you rate the assistance and explanations received regarding the requirements for the change of use permit?

Table 17 displays mean ratings for each of the above dimensions – both with respect to the change of use and construction permit processes.

The findings, unfortunately, are negative in nature. All means, with the exception of *quality of work inspection*, fell below scale midpoints. In other words, the regulations were seen as unreasonable; the application review, as lacking in quality; the inspection process, as slow; and the assistance and explanations received, as poor. The mean for quality of work inspection fell at the midpoint. Quality was thus seen merely as average – not good, nor poor.

Perceptions of the construction permit process were somewhat more positive, though not at all exceptional. Two means fell below scale midpoints – that for reasonableness and timeliness of review. The mean for quality of application review fell at the midpoint; again, this suggests neutrality. Means for the remaining three items fell slightly above scale midpoints. Work inspection was thus seen as moderately high in quality; the inspection process, as relatively efficient with respect to time; and the assistance and explanations received, as moderate to good.

Departmental contact

Less than one-half (40%) of the businesses have been in touch with the city in the past year. Medium sized businesses were more likely than small or large businesses to have made contact. Likewise, more businesses in the southeast than any other geographic region have been in touch with the City in the past year.

Respondents were asked to identify the department with which they had had the most recent contact. The most frequently mentioned response was SPD, the Seattle Police Department; this was mentioned by 25% of respondents. Less frequently mentioned responses included: DCLU (Design, Construction, and Land Use), City Light, ESD/ Division of Finance, the Fire Department, and SeaTran. (See Table 18 for a categorical listing of all responses).

The majority of contacts were initiated by the respondent. One-quarter were initiated by a given city department. Most contacts with the city, then, represent a need or inquiry on the part of a particular business. (See Figure 10, below).

Table 19 displays the *mode* of respondents' most recent contact. Most contacts were made by phone, followed distantly by in-person and mail contacts. A low percentage of responses included e-mail and internet contacts. One difference emerged with respect to employee size. Small businesses were more likely than mid- sized businesses to report phone contact.

Those with phone contact (n = 281) were asked specifically about that contact: "When you called, was the phone answered promptly? Were you placed on hold for an unreasonable amount of time? Were you transferred quickly? Was the electronic voice transfer system effective?" The percentage of "Yes," "No," and "Don't know" responses to these questions are shown in Figure 1.

In most cases, the phone contact left respondents with a positive impression. The majority of respondents felt that when they called, the phone was indeed answered promptly (71%), that they had not been kept on hold for an unreasonable amount of time (72%), and that they had been transferred quickly (61%). A negatively toned difference emerged with respect to the electronic voice transfer system, however. Only 39% found the system effective. To note, the percentage of "Don't know" responses for this item was high; such non-substantive responses likely reflect a *lack* of contact with the system.

Customer service

In what follows, we move beyond *type* of contact to examine *quality* of contact. Those reporting recent interaction with the City (n = 344) were asked to comment on the nature of that contact. Each of the following service attributes was rated on a 7-point satisfaction scale (1 = not at all satisfied; 7 = extremely satisfied).

- Ease of getting in touch with the right person to solve your problem
- Employee being knowledgeable
- Employee being helpful
- Employee treating you with respect
- Having your issue resolved in a reasonable time period

Mean scores are displayed in Table 20. As the table indicates, business customers were most satisfied with city employees in terms of respectful treatment, helpfulness, and knowledge. They felt that it was only *fairly* easy to get in touch with the right person, and that issues were resolved in relatively reasonable time periods.

Satisfaction with aspects of customer service differed as a function of employee size. The nature of this association is shown in Figure 12. To generalize, satisfaction increased linearly with employee size. Small businesses were less satisfied with customer service than were medium-sized businesses. Both small and medium-sized businesses, in turn, were less satisfied with customer service than were large businesses. (It is important to frame these results in terms of lower satisfaction as opposed to *dissatisfaction*, as the means for small businesses fell above 4, the scale midpoint.) Having one's issue resolved in a reasonable time period provided a notable exception. Here, the reverse pattern emerged. Small businesses exhibited greater satisfaction with issue resolution, possibly because their problems were less complicated in nature.

Overall experiences with city employees

Persons reporting recent contact with a Seattle city employee ($n = 399$) made a judgment about the positivity of that experience. This was done on a 7-point scale, with 1 indicative of "poor" and 7 indicative of "good." The mean score was 5.01; this figure suggests strong customer service on the part of city employees. Seventy-one percent provided a good rating (a rating of 5, 6, or 7), 11% provided a neutral rating (a rating of 4), and a final 16%, a poor rating (a rating of 1, 2, or 3).

The percentage of "7" or extremely good ratings differed as a function of employee size. Small businesses were more likely to provide a highly positive rating as compared to medium-sized businesses (15 vs. 7%).

A relationship exists between overall ease of working with the city, in general, and interactions with city employees, in particular. Employee ratings were highest among those who saw the city as very or somewhat easy to work with ($M = 5.79$), moderate among those who saw the city as neither easy nor difficult to work with ($M = 4.79$), and lowest among those who saw the city as very or somewhat difficult to work with ($M = 3.77$).

A multiple linear regression was performed in order to determine significant predictors of overall experiences with city employees. The following customer service attributes served as predictor variables:

- Employee being knowledgeable
- Employee being helpful
- Employee treating you with respect
- Getting in touch with the right person
- Having your issue resolved in a reasonable time period

Three of the above significantly predicted overall experiences with city employees: employee knowledge ($p < .01$; standardized beta coefficient = .25), employee helpfulness ($p < .05$; standardized beta coefficient = .23), and issue resolution ($p = .058$; standardized beta coefficient = .14). In short, as ratings on these attributes rise, so too do ratings of overall experience with city employees. As ratings on these attributes fall, so too do ratings of overall experience with city employees ($R^2 = .37$).

Information dissemination

Four questions were designed to assess the city's success in communicating with businesses about pertinent projects, programs, or changes. Specifically, respondents made satisfaction ratings with respect to the city's keeping them: 1) appraised of upcoming street works projects, 2) aware of city sponsored

programs that they could take advantage of, 3) informed of changes in regulations, and 4) informed of changes in utility rates.

For purposes of interpretation, ratings were made on 7-point scales (1 = not at all satisfied; 7 = extremely satisfied). Mean scores were relatively low: *Ms* = 3.98 for appraisal of upcoming street works projects, 3.34 for awareness of city sponsored programs, 3.72 for dissemination of information regarding changes in regulations, and 4.51 for dissemination of information regarding changes in utility rates.

Figure 13 displays mean satisfaction ratings as a function of “overall ease of working with the city.” In all cases, if the city was seen as very or somewhat easy to work with, satisfaction was higher. This association suggests a relationship between communication and global satisfaction. It will be important in the future, then, to keep businesses informed and appraised.